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CIRCULAR
November 23, 2011

**ERRATUM
NOTICE ON CONVERSION FACTORS USED FOR
2 YEAR GOVERNMENT OF CANADA BOND FUTURES (CGZ)**

Please be advised that the Bourse has taken note of certain erroneous conversion factors being used surrounding deliverable bonds for the 2 year Government of Canada Bond Futures contract (CGZ).

In a bid to minimize market impact the Bourse wishes to inform all market participants that as it pertains to the December 2011 expiry the conversion factors published in the latest circular no. 168-11 (http://www.m-x.ca/f_circulaires_en/168-11_en.pdf) shall still apply and remain in effect for the December 2011 expiry.

However, please be advised, the following corrected conversion factors shall be applicable for the following maturities:

TWO-YEAR GOVERNMENT OF CANADA BOND FUTURES CONTRACTS – CGZ

Government of Canada Bonds		Outstanding	March 2012	June 2012	September 2012	December 2012
Coupon	Maturity					
1½%	November 1, 2013	11,500	0.9296	N/A	N/A	N/A
1%	February 1, 2014	7,000	0.9107	0.9218	N/A	N/A
2%	March 1, 2014	9,600	0.9257	0.9344	0.9434	N/A
TOTAL OUTSTANDING DELIVERABLE BONDS			28,100	16,600	9,600	N/A
(CAN \$ million)						
Conversion factors computed with a yield equal to 6%						

Additionally, circular 168-11 erroneously contained the following bond eligible for delivery. Please note that the following bond issue is **not deemed deliverable** for the CGZ product.

Government of Canada Bonds		Outstanding	December 2011	March 2012	June 2012	September 2012
Coupon	Maturity	(CAN \$ million)				
2½%	September 1, 2013	9,200	N/A	N/A	N/A	N/A

For further information, please contact Mr. Santo Ferraiuolo, Market Analyst, Regulatory Division, at 514 871-4949, extension 413, or by email at sferraiuolo@m-x.ca.

Frank Barillaro
Manager, Market Analysis & Project Management
Regulatory Division